



April 3, 2007

ENGROSSED SENATE BILL No. 180

DIGEST OF SB 180 (Updated March 29, 2007 11:39 am - DI 51)

Citations Affected: IC 9-23.

Synopsis: Warranty repair and sales audit limitation. Provides that a vehicle manufacturer or distributor may audit or charge back certain claims made by a dealer: (1) for up to two years after the claim is paid; or (2) at any time in cases of fraud. Provides that a manufacturer or distributor may not discriminate among dealers when auditing or charging back claims.

Effective: July 1, 2007.

Weatherwax, Alting

(HOUSE SPONSORS — AUSTIN, DUNCAN)

January 8, 2007, read first time and referred to Committee on Commerce, Public Policy & Interstate Cooperation.

January 18, 2007, reported favorably — Do Pass.

January 22, 2007, read second time, ordered engrossed. Engrossed.

January 23, 2007, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

March 12, 2007, read first time and referred to Committee on Interstate and International Cooperation.

April 2, 2007, reported — Do Pass.

C
o
p
y

ES 180—LS 6600/DI 103+



April 3, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 180

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 9-23-3-15 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. **(a)** It is an unfair
3 practice for a manufacturer or distributor to:

4 (1) fail to pay all claims made by dealers for compensation for
5 delivery and preparation work and warranty work within thirty
6 (30) days after approval;

7 (2) fail to approve or disapprove the claims within thirty (30) days
8 after receipt; or

9 (3) disapprove a claim without notice to the dealer in writing of
10 the grounds for disapproval.

11 **(b) A manufacturer or distributor may:**

12 (1) audit claims made by a dealer; or

13 (2) charge back to a dealer any amounts paid on false or
14 unsubstantiated claims;

15 for up to two (2) years after the date on which a claim is paid.
16 However, the limitations of this subsection do not apply if the
17 manufacturer or distributor can prove fraud on a claim. A

ES 180—LS 6600/DI 103+



C
o
p
y

- 1 **manufacturer or distributor shall not discriminate among dealers**
- 2 **with regard to auditing or charging back claims.**

**C
o
p
y**



SENATE MOTION

Madam President: I move that Senator Alting be added as second author of Senate Bill 180.

WEATHERWAX

 COMMITTEE REPORT

Madam President: The Senate Committee on Commerce, Public Policy and Interstate Cooperation, to which was referred Senate Bill No. 180, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 180 as introduced.)

RIEGSECKER, Chairperson

Committee Vote: Yeas 10, Nays 0.

 COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred Senate Bill 180, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

HARRIS E, Chair

Committee Vote: yeas 8, nays 0.

C
O
P
Y

